

Governor's Advisory Council for Exceptional Citizens (GACEC) 516 West Loockerman St., Dover, DE 19904 302-739-4553 (voice) 302-739-6126 (fax) http://www.gacec.delaware.gov

## **MEMORANDUM**

**DATE:** April 26, 2021

TO: The Honorable Members of the Delaware General Assembly

FROM: Ann C. Fisher, Chairperson

**GACEC** 

RE: <u>Senate Bill No. 90 Source of Income Discrimination</u>

The Governor's Advisory Council for Exceptional Citizens (GACEC) has reviewed <u>Senate Bill No. 90</u>, which will amend the state fair housing statute and the landlord tenant code to eliminate language that allows landlords to refuse to accept Section 8 vouchers. Currently both statutes state that landlords are "not required to participate in any government sponsored rental assistant program." Council <u>strongly endorses</u> the proposed amendment since eliminating source of income discrimination by landlords will improve access to safe affordable housing for many individuals and families, including many with disabilities.

The shortage of affordable housing in Delaware is well known, and many individuals and families rely on housing assistance programs to subsidize their rent. Delaware currently lacks 15000 affordable rental units. The average wait list time for a voucher is 29 months once an applicant is put on a list. Allowing landlords to screen out individuals who rely on such subsidies narrows the choices of safe affordable housing for many. Families often must search for several months to find a rental once a voucher has been obtained.

Allowing landlords to refuse vouchers as a payment source also creates a disparate discriminatory impact on people with disabilities and people of color who statistically rely more on rent subsidies than white renters. Thirty-one percent of non-elderly households and 68% of elderly households using Housing and Urban Development (HUD) Choice Vouchers in Delaware had a head of household or spouse with a disability. Seventy percent of voucher holders are Black or African American. Discrimination based on source of income tends to promote segregated neighborhoods and diminishes choice of housing types and locations.

There are a number of myths associated with accepting subsidized vouchers. First, landlords can continue to conduct regular screening of prospective tenants with or without vouchers. Second, landlords can and do collect security deposits that may be used for damages, the same as with other tenants. Three, landlords do not have to pay for inspections, although their units do have to meet HUD safety standards (which will improve the quality of rental housing available). Finally, landlords can charge market rent and can increase rent annually, although increases over 10% are subject to review for reasonableness by HUD.

Thank you for your time and consideration of our endorsement of this proposed legislation. Please feel free to contact me or Wendy Strauss at the GACEC office should you have any questions.